

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION**  
5<sup>th</sup> Floor, Metro Plaza, Bittan Market, E-5 Arera Colony, Bhopal - 462 016



**Petition No. 65/2017**

**PRESENT:**

**Dr. Dev Raj Birdi, Chairman**  
**Mukul Dhariwal, Member**  
**Anil Kumar Jha, Member**

**IN THE MATTER OF:**

**Levy and Collection of Fee and Charges by State Load Despatch Centre (SLDC) Jabalpur for FY 2018-19.**

**State Load Despatch Centre (SLDC), MPPTCL Jabalpur - Petitioner**

**Versus**

- 1. M.P. Poorv Kshetra Vidyut Vitaran Co. Ltd, Jabalpur**
  - 2. M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd, Bhopal**
  - 3. M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd, Indore**
  - 4. M.P. Audyogik Kendra Vikas Nigam Ltd. (SEZ), Indore**
  - 5. West Central Railways, Jabalpur**
  - 6. M.P. Power Management Co. Ltd., Jabalpur**
  - 7. M.P. Power Transmission Company Ltd., Jabalpur**
  - 8. Kalpataru Satpura Transco Pvt Ltd Gandhinagar**
  - 9. M. P. Power Generating Co. Ltd., Jabalpur**
  - 10. Narmada Hydro-Electric Development Corp. Ltd., Bhopal**
  - 11. Narmada Valley Development Authority, Bhopal**
  - 12. Jaiprakash Power Ventures Ltd., Uttar Pradesh**
- Respondents**

## **ORDER**

**(Passed on this day of 22<sup>nd</sup> May' 2018)**

1. This order relates to petition No.65 of 2017 filed by the State Load Despatch Centre, MPPTCL Jabalpur (hereinafter referred to as "SLDC") for "Levy & Collection of Fee & Charges by SLDC for FY 2018-19" before Madhya Pradesh Electricity Regulatory Commission (hereinafter referred to as "the Commission"). In exercise of the powers conferred under section 31(1) of the Electricity Act, 2003, vide order No.2489/13/04 dated 17-05-2004, the Government of Madhya Pradesh notified the State Load Despatch Centre, Jabalpur as apex body to ensure integrated operation of the power system in the state, to be operated by the State Transmission Utility (hereinafter referred to as STU).
2. As per section 32(3) of the Electricity Act 2003, SLDC may levy and collect such fee and charges from the Generating Companies and Licensees engaged in intra-state transmission of electricity as may be specified by the State Commission. In exercise of powers conferred under Section 183 of the Electricity Act, 2003, the Ministry of Power, Government of India issued an order for "Removal of Difficulties" on 8<sup>th</sup> June, 2005 (S.O. 795(E)) in respect of levy and collection of fees and charges for using the transmission systems. As per the order, "*the State Load Despatch Centre may levy and collect such fee and charges from the Licensees using the intra-state transmission system as may be specified by the State Commission*". Accordingly, SLDC charges are now payable by Licensees / users.
3. In exercise of powers under Section 181 (2) (g) of the Electricity Act, 2003, the Commission notified MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations, 2004 (Revision 1, 2006) as amended from time to time (hereinafter referred to as "SLDC Regulations"). The subject petition is based on the aforesaid Regulations and its amendments.
4. First amendment to MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations' 2004 provides that SLDC is required to file a petition for Fee and Charges to be levied and collected by it by **31<sup>st</sup> October every year**.
5. Vide letter dated **25<sup>th</sup> October' 2017**, SLDC sought time extension up to **15<sup>th</sup> December' 2017** for filing the petition for levy and collection of Fee and Charges by SLDC for FY 2018-19 on the ground that compilation of details and certified accounts of SLDC/ Sub LDC for preparation of the petition were likely to be completed by **10<sup>th</sup> December' 2017**.
6. Considering the request, SLDC was allowed to file the petition for levy and collection of Fee and Charges for FY 2018-19 by **30<sup>th</sup> November' 2017**. On 01<sup>st</sup> December' 2017,

SLDC filed the subject petition for levy and collection of Fee and Charges by it for FY 2018-19.

7. The petitioner broadly submitted the following:

- (i) *“State Load Despatch Centre (SLDC) is the apex body for scheduling and system operation in the State of MP, incorporated under Section 31 of Electricity Act 2003. In exercise of the Powers conferred under Section 31(1) of Electricity Act-2003,(Central Act 36 of 2003), the Government of MP vide order No 2489/13/04 dated 17-05-2004 has notified the State Load Despatch Centre, Jabalpur as apex body to ensure integrated operation of the power system in the state, to be operated by the State Transmission Utility, hereinafter called as STU.*
- (ii) *In pursuance to section 32(3) of the Electricity Act 2003, the Commission through its Regulation has directed the SLDC to file a petition in the matter of levy and collection of fee and charges by State Load Despatch Centre (SLDC) Jabalpur.*
- (iii) *As per section 32(3) of IE Act 2003, the SLDC may levy and collect such fee and charges from the generating companies and licensees engaged in intra-state transmission of electricity as may be specified by the State Commission. However, the Ministry of Power, Govt of India, in exercise of powers conferred under section 183 of the Electricity Act 2003, issued an order for “Removal of Difficulties” on 8<sup>th</sup> June 2005 (S.O. 795(E)) in respect of levy and collection of fees and charges for using the transmission systems. As per the order, the State Load Despatch Centre may levy and collect such fee and charges from the licensees using the intra-state transmission system as may be specified by the State Commission.*
- (iv) *This application for approval of SLDC fee and charges for the year 2018-19 is hereby submitted as per Madhya Pradesh Electricity Regulatory Commission (Levy and Collection of Fee and Charges by State Load Despatch Centre ) Regulations, 2004 Revision-1, 2006 ( Third Amendment ) notified on 19<sup>th</sup> Nov 2010.*
- (v) *The Fee and Charges to be levied and collected by SLDC from the licensees using the intra-state transmission system has been worked out exclusive of statutory taxes, levy, duty, CESS or any other kind of impost by the Government or any statutory authority. Such expenses if any, shall be borne by the licensees using the*

*intra-state transmission system and shall be adjusted in the subsequent years. Some Open Access Customer had paid Application processing Fee after deducting TDS. However the amount of TDS is not claimed by SLDC.”*

8. With the above contention, the petitioner i.e, State Load Despatch Centre filed the following Annual Revenue Requirement for FY2018-19 :

<b>Sr.No.</b>	<b>Particulars</b>	<b>Amount (₹ Lakh)</b>
1	Employee Cost	1240.40
2	Administration and General Charges	227.61
3	Repairs and Maintenance Expenses	188.00
4	Depreciation	00.00
5	Interest and finance charges	18.08
6	Return on equity/Investments	00.00
7	Provision for Income Tax	00.00
<b>Total</b>		<b>1674.09</b>
8	Less: Revenue from other Charges (i.e Scheduling & Operation charges(50%), Connectivity charges & Application Processing Fee	305.00
9	Less: Other Income	5.00
<b>Net Revenue Requirement for FY 2018-19</b>		<b>1364.09</b>

9. SLDC has also filed **true-up amount of ₹ 101.88** lacs for FY 2016-17 on the basis of actual expenses as per the certified Financial Statements of SLDC (as on 31.03.2017) submitted with the petition. The petitioner has claimed the aforesaid actual expenses and income from other fee and charges in FY 2016-17 vis-a vis approved in the ARR of FY 2016-17 for reconciliation / true-up of the same in the ARR for FY 2018-19 as given below:

( Amount in Lakhs of ₹)

<i>Particular</i>	<i>Expenses as allowed in ARR for FY 2016-17</i>	<i>Actual Expenses for FY 2016-17</i>	<i>Differences (Allowed-Actual) to be reconciled</i>
<i>Employee Costs</i>	1032.76	1052.26	-19.50
<i>Administration &amp; general Expenses</i>	91.26	54.06	37.20
<i>Repairs &amp; Maintenance Expenses</i>	131.13	46.94	84.19
<i>Interest &amp; Finance Charges</i>	0.00	0.01	-0.01
<i>Total</i>	1255.15	1153.27	101.88

The petitioner has also filed the following actual income from other fee and charges received by SLDC from Scheduling and Operating Charges, Connectivity Charges and Application Charges during FY 2016-17:

( Amount in Lakhs of ₹ )

<i>Particular</i>	<i>Income as allowed in ARR for FY 2016-17</i>	<i>Actual income for FY 2016-17</i>	<i>Differences (Allowed-Actual) to be reconciled</i>
<i>50% of Scheduling &amp; Operating Charges.</i>	256.00	203.97	52.03
<i>Connectivity Charges</i>		28.20	-28.20
<i>Application Charges</i>		65.70	-65.70
<i>Sub Total</i>	256.00	297.87	-41.87
<i>Other miscellaneous receipts as mentioned in Form F2</i>	3.50	6.22	-2.72
<b><i>TOTAL</i></b>	259.50	304.09	-44.59

Accordingly, the net amount to be reconciled & adjusted (subtracted) in the ARR of FY 2018-19 is worked out to ₹ (101.88 – (-44.59) ) i.e. ₹ **146.47** lacs in the subject petition.

Thus, the net ARR for FY 2018-19 as per the filing is worked out to ₹ **1217.62** lacs (₹1364.09 lacs-₹ 146.47 lacs ).

10. The petitioner prayed the following in the subject petition:
- (i) “Accept and pass Fee and Charges of State Load Despatch Centre Jabalpur for FY 2018-19 as ₹1364.09 lacs towards revenue expenditure.
  - (ii) Issue suitable order for distribution of the Fee and Charges among the licensees using the intra-state transmission system.
11. Motion hearing in the matter was held on **23<sup>th</sup> January’ 2018**. Vide Commission’s order dated **25<sup>th</sup> January’ 2018**, the petition was admitted and the petitioner was directed to serve copies of the petition on all the respondents. Vide letter dated **02<sup>nd</sup> February’ 2018**, the information gaps/ discrepancies observed in the petition were communicated to the petitioner and it was asked to file its response by **15<sup>th</sup> February’ 2018**. The respondents were also asked to file their response on the petition by **15<sup>th</sup> February’ 2018**. Vide letter dated **28<sup>th</sup> February’ 2018**, SLDC confirmed the service of petition to all the respondents in the matter.

12. By affidavit dated 13<sup>st</sup> February' 2018, SLDC submitted its point-wise reply to the Commission's letter dated 02<sup>nd</sup> February' 2018.

13. Issue- wise response filed by SLDC is as given below:

**Issue (i) :-** While according in-principle approval to the five year rolling capital expenditure plan of SLDC for FY 2016-17 to FY 2020-21 vide Commission's order dated 26.04.2017 (in Petition No.69 of 2016), the Commission had considered the year-wise total requirement and availability of Capex fund in Para 29 of the aforementioned order. The status of compliance with each condition mentioned in para 33 of Commission's aforesaid order dated 26<sup>th</sup> April '2017 be submitted.

**Response :-** "The point wise compliance to the directives mentioned in para 33 of Hon'ble Commission's order for SLDC Fee & Charges for FY 2017-18 dated 26<sup>th</sup> April 2017 is submitted below: -

SLDC is maintaining proper record of Capex fund. The year wise details of SLDC Capex fund and Capital expenditure are given as Annexure-I & Annexure-II here as under:-

Year wise Details of Fund marked for capex fund out of Operation & Scheduling charges  
Amount in ₹ Lakhs

Financial Year	Operation & Scheduling Charges.	50% of O&S treated as Income (2*50%)	50% of O&S for Capex Fund (2*50%)
1	2	3	4
2006-07	39.18	19.59	19.59
2007-08	67.64	33.82	33.82
2008-09	125.37	62.69	62.69
2009-10	151.57	75.79	75.79
2010-11	202.92	101.46	101.46
2011-12	185.43	92.72	92.72
2012-13	265.63	132.82	132.82
2013-14	265.74	132.87	132.87
2014-15	363.81	181.91	181.91
2015-16	364.39	182.20	182.20
2016-17	407.94	203.97	203.97
<b>Total (A)</b>	<b>2439.62</b>	<b>1219.81</b>	<b>1219.81</b>

**The Details of Actual Capital Expenditure for the FY 2006-07 to 2016-17.**

( Amount in Lakhs of ₹ )					
Financial Year	Category of Expenditure (A/C Code)				Year wise Total
	Fixed Assets (10)	Capital works in progress (14)	Capital Advance		

2006-07	25.66	-	-	25.66
2007-08	14.73	-	-	14.73
2008-09	5.96	0.9	-	6.86
2009-10	0	-	-	0
2010-11	28.82	-	-	28.82
2011-12	9.43	61.89	-	71.32
2012-13	1.83	42.92	7.8	52.55
2013-14	92.55	-41.27	0	51.28
2014-15	22.73	-8.69	-7.8	6.24
2015-16	7.55	-0.39	0	7.16
2016-17	14.79	70.81	0	85.60
<b>Total (B)</b>	<b>224.05</b>	<b>126.17</b>	<b>0</b>	<b>350.22</b>

- (ii) The works are completed in the best manner and within the approved financial resources.
- (iii) Depending upon the urgency of work, the schedule of works has been reviewed and submitted along with the petition as Annexure CPI.
- (iv) The purchase of items, instruments, spares, installation and commissioning works etc. are processed through issue of enquiry/open tender or through OEM in case proprietary item. Thus, the work is carried out in good quality and in line with the lowest possible prevailing market price.
- (v) The updated physical and financial progress of each work has been filed with petition as Annexure-CPI and also provided in Form F15.
- (vi) The Capital work are organized & processed timely to ensure that the execution of the schemes is not affected and also to ensure timely utilization of the same.
- (vii) The capital works of SLDC are funded from internal resources i.e. from 50% of operation & Scheduling charges. The details regarding actual expenditure for FY 16-17 against plan for SLDC has been enclosed herewith as Annexure-III”.

**Issue (ii) :-** In Form F-1 regarding detailed revenue from fees and charges furnished, SLDC has provided the details of revenue received against Fee and Charges from each Generating Company and Licensee whereas, a consolidated amount is shown against revenue received from other charges in Form F-1. Therefore, the break-up of the details of revenue received from each Generating Company/Licensee on this head be submitted .

**Response :-** “The details of revenue received by SLDC for FY 2016-17 against Application Processing Fee, Scheduling & Operation Charges and Connectivity Charges as mentioned in F-1 are enclosed herewith as Annexure-IV. The projection for revenue from other charges for FY 2017-18 are worked out on the basis of Income received up to Oct-16 from open Access Customers & Generating Companies and mentioned in form F-1”.

**Issue (iii) :-** In Form F-2, the other income of ₹ 5.00 lacs is projected for FY 2018-19 whereas, the actual other income in FY 2016-17 was ₹ 6.22 lacs. The reasons for projecting lower other income in FY 2018-19 be submitted .

**Response :-** *“The actual other income of ₹ 6.22 lakhs mentioned in Form F-2 for FY 2016-17, comprises of the income due to interest earned on flexi-fix current Account with Bank of ₹ 1.06 lakhs and other Misc Income of ₹ 5.16 lakhs (i.e delayed payment charges, penalty from supplier, house rent from employees, bus charges from employees, Sale of tender fee & Application Fee under RTI). The total Misc income of ₹ 5.16 Lakhs, ₹ 2.88 Lakhs out of ₹ 5.16 lakhs was received towards recovery of penalty from supplier. However, it is submitted that Interest on current account with state bank of India is only considered as the Union bank of India has withdrawn the facility of swap a/c from current account w.e.f Aug-16. The lump sum provision of ₹5.00 lakh has been considered on the basis of interest income on flexi fix current A/c of ₹ 0.50 Lakhs and ₹ 4.50 Lakhs has been considered towards misc income ( penalty from supplier, house rent from employees, bus charges from employees, Sale of tender fee & Application Fee under RTI) which is not a routine income. It is submitted that actual income will be considered in true-up process for FY 18-19.”*

**Issue (iv) :-** In Para 7.1 of the petition, the projections for the specialist level and management level training and various workshops & training etc is considered in the employees cost for FY 2018-19. However, the aforesaid projections are not provided in the detailed break-up of the “Employees Cost and Provisions” submitted in Form No. F-4 filed with the petition. The complete details about the actual number of participants alongwith their name & designations who appeared and cleared/obtained certification in each level of exams (with break-up of the number of officers alongwith the proposal for FY 2018-19 projections) considered for training and other courses be submitted.

**Response :-** *“The break up wise details of basic level course and specialist level and management level training and various courses/seminars/workshops regarding SCADA/EMS, URTDSM project, renewable integration, ABT, AMR, EMS, PSS tuning, reactor power management, smart grid and other upcoming emerging fields has been given in Annexure V. The summery sheet indicating with employee name who have obtained training and appeared in exam and cleared/obtained certification in each level is being given as Annexure VI. The consolidated projection of ₹ 10.00 lakhs is mentioned in form F4 under item “C”.*

**Issue (v) :-** In Para 7.1 of the petition, it is mentioned that the terminal benefits on retirement (pension, gratuity and EL encashment on retirement) are not considered in the petition and the same shall be adjusted in the true-up, if required to be paid. As a matter of fact, the terminal benefits on retirement are being claimed by MPPTCL and allowed in the ARR of MPPTCL. Therefore, the aforesaid contention needs to be clarified.

**Response :-** *“Regarding terminal benefit on retirement (pension, gratuity and EL encashment on retirement), it is submitted that such provision are not made in the petition for FY 18-19 as these expenses are claimed by MPPTCL. The contention of submission in the petition is that the expenses shall be adjusted in true-up if required to be paid, is to indicate that if any actual expenses on retirement are booked under employee cost of SLDC & also shown in trial balance of SLDC, it shall be reflected in true-up of SLDC otherwise not.”*

**Issue (vi) :-** In para 7.1 of the petition, it is mentioned that the provision towards increase in salary due to implementation of 7<sup>th</sup> pay commission for FY 2018-19 of ₹ 131.51 Lakhs has been



considered in employee cost. Further, it is submitted in the petition that arrears for the FY 2016-17 & FY 2017-18 due to wage revision is worked out as ₹ 235.78 lakhs. The total arrears is divided in three installments and installment of arrears for ₹ 78.59 lakhs is being claimed under employee cost for FY 2018-19. In view of the above, SLDC is required to explain the reasons of its aforesaid claim in light of MPERC (Terms and Conditions for Determination of Transmission Tariff) (Revision –III) Regulations, 2016 alongwith the supporting documents.

**Response :-** *“It is submitted that SLDC has considered projection towards increase in salary as ₹131.51 Lakhs for implementation of 7<sup>th</sup> pay commission, under the head Employee Cost and Provisions (Form F-4 at Sr. No. B 20 on pg no. 36 of the petition). The projection of ₹131.51 Lakhs has been considered on the basis of Additional Chief Secretary, Energy Department, GoMP’s L.No. 6916/2017/13 dated 31.10.2017 (Enclosed as Annexure- VII) regarding implementation of 7<sup>th</sup> Pay commission in MP state Power Sector Company. Accordingly, SLDC has considered projection towards increase in salary in FY 2018-19 for ₹ 131.51 Lakhs. Regarding considering projection towards arrears amount of ₹ 235.78 Lakhs in three installments For FY 2018-19, FY 2019-20 & FY 2020-21, the arrears amount has been considered on the basis of Additional Chief Secretary, Energy Department, GoMP L.No. 6916/2017/13 dated 31.10.2017 wherein it was instructed to power sector companies to adopt Madhya Pradesh salary Revision Rules 2017 notified by Finance Department, GoMP published in Gazettate (extra Ordinary) dated 20.07.2017. It is also submitted vide order dated 29.12.2017 (enclosed as Annexure-VIII) MPPTCL has implemented 7<sup>th</sup> Pay commission w.e.f 01.01.2018. It is requested to kindly considered ₹ 131.51 lakhs due to increase in salary towards implementation of seventh pay commission. The calculation sheet towards projection of increase in salary due to seventh pay commission of ₹131.51 lakhs has been enclosed herewith as Annexure-IX.*

**Issue (vii) :-** It is observed from the detailed break-up of employee cost in Form F-4 that there is no change in the employee strength shown for FY 2016-17 to FY 2018-19. The reasons for variance in the employee cost for its total same employees strength of 152 Nos. be submitted.

**Response :-** *“The total employee cost projections of ₹1240.40 Lakhs for FY 18-19, submitted in the petition (Form-F4) is worked out considering working strength of 98 employees on 31<sup>st</sup> October 2017 against sanctioned employee strength of 152 nos. No provision for vacant post has been considered in projected employee cost. The main reason for increase in employee cost is due to increase in rate of DA & considering the annual increment. The rate of D.A. has been taken as 142% for first sixth month and 145% for next six month of the FY 2018-19. The employee wise detail calculation sheet of employee cost projection for the FY 2018-19 is submitted herewith as Annexure- X”.*

**Issue (viii) :-** The Addl Pay(Wages) & Compensatory off Encashment shown for FY 2018-19 are less than the actual amount of FY 2016-17. The reasons for the aforesaid variation be submitted.

**Response :-** *“The projection towards Compensatory Off Encashment has been considered for shift duty officer & employee. The details of calculation has been mentioned in Annexure-X. Also the projection towards Additional Wages for employee has been considered on tentative basis. The details of projection towards Additional Wages are also shown in Annexure-5. Regarding higher actual expenditure of Addl Pay(Wages) and Compensatory Off Encashment for FY 16-17 as compared to the projection for FY 18-19, it is submitted that the higher Addl. Wages and C-Off Encashment in FY 16-17 due to working strength of employee is more than the working strength at present. Also the three computer operators are working in shift duty which outsource from contractor from FY 2017-18. So that the projection towards Addl. Wages and C-Off encashment has been considered on present working strength”.*

**Issue (ix) :-** The actual contribution towards DLI/NPS (pension schemes) for FY 2016-17 has been ₹ 10.98 lacs whereas, a higher projected and proposed contribution for FY 2017-18 and FY 2018-19 is shown as ₹13.94 lacs and ₹13.95 lacs respectively.. The following needs to be clarified by SLDC:

- (a) Whether the above provisions towards contribution of SLDC towards DLI/NPS are included in the Financial Accounts of MPPTCL also?
- (b) The reasons for high projections in this regard.

**Response :-** *“Regarding projection towards NPS for FY 17-18 & FY 18-19, the point wise information is submitted as below:-*

*(a) The contribution towards NPS (pension scheme) is shown separately in the trial balance of SLDC under the head company contribution on NPS (new Employee). Further, the employee expenses shown in SLDC trial balance are not considered in employee expenses of MPPTCL. The projection towards NPS for the FY17-18 & FY 18-19 has been considered on basis of 10% of (Basic Pay+Grade Pay+DA) on the company cadre employees. On the same methodology projection towards NPS for FY 2016-17, was projected as ₹ 12.95 lakhs. The actual expenditure towards contribution to NPS for FY 16-17 for company cadre employee comes out to ₹10.98 lakhs. The variation in projected and actual amount is due to NPS contribution of Sub-LDC Bhopal & Sub-LDC Indore, which are not showing in trial balance of SLDC for FY 16-17. The details of projected contribution towards NPS are submitted in Annexure-X. It is submitted that actual expenditure towards contribution of NPS which is appeared in trail balance of SLDC has been considered in true-up for FY 2016-17.”*

**Issue (x) :-** The petitioner has considered the expenses for “Apprentice and other training” in employee expenses whereas, the training expenses are the part of A&G expenses in its Financial Statements. The clarification in this regard be submitted.

**Response :** - *“The training expenses are shown in Employee expenses under head “Apprentice and other training” in compliance to the prescribed format of Form F4 of the regulation for levy & Collection of Fee & Charges. It is requested to Hon’ble Commission kindly consider the employee cost of ₹1240.40 Lakhs for FY 2018-19”.*

**Issue (xi) :-** In para 7.2 of the petition, SLDC has claimed ₹ 106.88 lacs towards Electricity charges for offices. The projection towards Electricity expense of ₹ 106.88 lacs for SLDC, has been taken as actual expenditure up to April-17 to Oct-17 and tentative for period Nov-17 to March-17 with 10% increase there on and ₹ one lakh per month for Sub-LDC, Indore. The basis for claiming 10% increase and one lac per month for Sub LDC Indore be submitted by the petitioner. Further, the documents in support of contention of SLDC in para 7.2 of the petition regarding adjustment of electricity charges by East Discom be submitted.

**Response :-** *“The projection towards electricity charges for SLDC, & Back Up SLDC, Bhopal has been considered as per actual bill from April-17 to oct-17 and tentative for period Nov-17 to March-18 with 10% increase there on and one lakh for per month for Sub LDC Indore. The 10% increase is considered on the basis of increase in consumption unit due to increase in equipment/working area/ probable enhance at electricity charges etc. As far as Sub-LDC Indore, it is to mention that Sub-LDC Indore is not having separate electricity connection & the connection for Sub-LDC Indore is under consideration. So that, lum sum provision of ₹ One Lakhs has been considered in projection for Sub-LDC Indore. The CGM (Comml)-EZ, MPPKVCL, Jabalpur L.no. Comml/EZ/PP-R/R-10/1455 dated 07/10/2017 regarding minutes of meeting held on 29.09.2017 regarding adjustment of HT electricity Bills of SLDC from SLDC charges has been enclosed herewith as Annexure-XI and CGM (Comml)- EZ, MPPKVCL, Jabalpur L.no. Comml/EZ/PP-R/R-10/1730 dated 20/11/2017 regarding deduction of electricity charges of ₹50.52 lakhs from IInd Installment of SLDC Fee and Charges of ₹143.24 Lakhs for FY 2017-18 has been enclosed herewith as Annexure-XII.”*

**Issue (xii) :-** In Form F-5 filed with the petition, SLDC has submitted the break-up of Administrative and General (A&G) Expenses. The break-up of MPERC Annual Fees and WRPC Annual Charges be also submitted.

**Response :-** *“The submitted projection of ₹2.00 lakh towards MPERC Annual Fees and WRPC Annual charges comprises of ₹1.00 lakh towards MPERC Fee for filing petition and incidental charges of ₹1.00 lakh if required to pay WRPC. The WRPC Annual charges is not considered as the above charges for FY 2016-17 & FY 2017-18 has been paid through MPPTCL A/c. It is requested to Hon’ble Commission kindly consider actual WRPC annual fee charges in true-up for FY 2018-19.”*

**Issue (xiii) :-** The documents in support of the expenditure claimed towards hiring of vehicles and Security/ Service Charges paid to outside agencies be submitted.

Response :- *“The order copy of deploying armed security services at SLDC Jabalpur & Back-up SLDC Bhopal and order copy of hiring of vehicle for SLDC, Back-up SLDC & Sub-LDC Indore are enclosed herewith as Annexure-XIII & Annexure-XIV.”*

**Issue (xiv) :-** The actual expenditure of ₹4.85 lacs is shown under the head of “Hiring of Vehicles” whereas, the projected and proposed expenses in this head are ₹13.59 lacs and ₹21.00 lacs for FY2017-18 and FY2018-19 respectively. The reasons for high projections under this head be submitted.

**Response :-** *“It is submitted that actual expenditure of vehicle is ₹4.85 lakh because of hiring of one vehicle in FY 2016-17. The projection of ₹13.59 lakhs for FY 17-18 has been considered on the basis of hiring the three no. vehicle one for CE(SLDC) and one for Back-up SLDC, Bhopal & Sub-LDC Indore. The projection of ₹21.00 lakhs for FY 2018-19, it is submitted the projection has been made on the basis of hiring of five no. vehicle at present One for Chief Engineer (SLDC), one for Additional Chief Engineer/SE (operation), one for SE(LD:E&T) and one each for Backup SLDC, Bhopal & Sub LDC Indore. It is submitted that approval of hiring of three vehicle has been obtained from MD, MPPTCL one for Addl. CE/SE, SLDC, Jabalpur and 2 vehicles, each for Back-up SLDC Bhopal and Sub-LDC Indore. The copy of order of Chief Engineer(Corporate Affairs), MPPTCL regarding hiring of vehicles is enclosed herewith as Annexure-XV and the order for hiring the vehicle for SE(LD:E&T) has been enclosed herewith as Annexure XVI. Hon’ble Commission is requested to kindly consider the proposed expenditure for Vehicle charges amounting to Rs. 21.00 Lakhs for FY 2018-19.”*

**Issue (xv) :-** The consultancy charges of ₹10 lacs are claimed for FY2018-19 whereas, the actual consultancy charges were shown as ₹ 0.11 lacs in FY2016-17. The reasons for claiming higher consultancy charges in FY 2018-19 be submitted.

**Response :-** *“The projection of ₹10.00 lakhs has been made towards consultancy charges for FY 2018-19 considering the probable requirement of consultancy services for Renewal of ISO 9001:2008 certification of SLDC, for Energy Audit & preparation of scheme for future project like WAMS/SCADA system/master communication system, security audit services. and for renovation & modernization of SLDC building etc. The administrative approval for obtaining ISO 270001 (Information & Management Security System) has already been obtain from MD, MPPTL & same is expected to be implement in FY 2018-19.”*

**Issue (xvi) :-** The actual expenditure in FY2016-17 under the heads of “Miscellaneous Expenses” was ₹0.29 lacs whereas, the expense under this head are projected very high in FY2016-17 and FY2017-18. The reasons for high projections of these expenses be submitted.

**Response :-** *“The projection of ₹ 6.00 Lakhs under Miscellaneous expenses has been made to meet out any contingent, petty expenses related to Administrative & General category of expenses”.*

**Issue (xvii) :-** Repair and Maintenance expenditure on building and Civil works has been shown as ₹ 10.56 lacs during FY 2016-17. However, the petitioner has estimated/ projected ₹ 59.78

lacs and ₹60.00 lacs on these expenses in FY 2017-18 and FY 2018-19, respectively. The reasons for high projection be submitted.

**Response :-** “The actual expenditure of ₹ 10.56 Lakh shown under civil maintenance head, during the FY 2016-17, comprises of routine maintenance works such as General upkeep of SLDC Building & misc. civil works and routine maintenance works. The projections of ₹ 59.78 Lakhs has been made towards building and civil works under the Repair and maintenance expenses for the FY 2017-18. The projection has been made towards housekeeping charges of SLDC building, Back-up SLDC Bhopal & Sub-LDC Indore and various civil work proposed by civil department for every year. Regarding the projection for FY 18-19, It is submitted that the projected amount ₹ 60.00 lakhs include routine maintenance works of building and also housekeeping charges is for SLDC, backup SLDC building at Bhopal and New Sub-LDC building at Indore. The details of misc. civil maintenance works proposed during FY 18-19 are as given below:-

( ₹in Lakhs)		
Sr.No	Description of work	Amount
1	General upkeep of SLDC Building at Jabalpur, Bhopal & Indore & maintenance of garden	21.00
2	Replacement of doors & doors frames	6.00
3	Construction of retaining wall.	6.00
4	Improvement of CE(LD) Chamber	1.00
5	Miscellaneous repairing and day to day maintenance works	3.00
6	Renovation of false flooring & Aluminum partition in SCADA hall of SLDC	15.00
7	Improvement/ strengthening of sanitation system/ water supply system	4.00
8	development of garden/i/c beautification, and land scaping	4.00
	<b>Total</b>	<b>60.00</b>

The projections ₹ 60.00 Lakhs for FY 2018-19 for Civil and building maintenance work are on the basis of proposed O&M work during the year. In view of above, Hon’ble commission is requested to approve total R&M projections of ₹188.00 Lakhs for FY 2018-19.”

**Issue (xviii) :-** The actual expenses on interest and finance charges for FY2016-17 is shown as ₹0.01 Lacs. SLDC has not taken any working capital loan and has consequently not incurred any expenses for interest on working capital. The cumulative available balance of Capex fund as on 31/03/2017 is to be shown by SLDC. The revenue gap and working capital if any, projected to be raised be also submitted.

**Response :-** “MPERC (Levy & Collection of SLDC fee & charges) Regulation-2004, 9.9 (ii) provides that IWC shall be payable on normative basis notwithstanding that the licensee has not taken working capital loan from any outside agency or exceeded the working capital loan

based on normative figures. The IWC amount of ₹ 18.08 Lakhs has been projected in ARR in accordance with above regulation. The cumulative available balance of Capex Fund as on 31.03.2017 is ₹ 869.59 Lakhs as which calculated from . The balance of capex fund as on 31<sup>st</sup> march 2017 of ₹ 576.28 lakhs comprises of total amount received towards 50% of Operating Scheduling charges from the period FY 2006-07 to FY 2016-17 of ₹1219.81 lakhs as mentioned in Annexure-1 Less actual Capital Expenditure of ₹ 350.22 lakhs as mentioned in Annexure-2,i.e (₹ 1219.81 lakhs- ₹ 350.22 lakhs= ₹869.59 lakhs). The Year wise proposed requirement as well as availability of fund is submitted here as under:-

*Year wise proposed requirement as well as availability of fund (in ₹ lakhs)*

Sr.No	Particlrns	2017-18	2018-19	2019-20	2020-21	2021-22	TOTAL
1	Availability of fund for Capex (Projected)	176.00	205.00	225.50	248.05	272.86	1127.41
2	Previous year Balance	869.59	953.65	1065.65	1278.15	1496.20	
3	Total Capex Available (1+2)	1045.59	1158.65	1291.15	1526.20	1769.06	
4	Capex Requirement	91.94	93.00	13.00	30.00	5.00	232.94
5	Cumulative Surplus (3-4)	953.65	1065.65	1278.15	1496.20	1764.06	

Looking to the availability of capex fund and proposed capital works at SLDC, there is no shortage of fund. Accordingly, no working capital is proposed to be raised during FY 2017-18”.

14. Vide Commissions letter No. 401 dated **09<sup>th</sup> March’ 2018**, SLDC was directed to publish the public notice as approved by the Commission in English and Hindi newspapers.
15. Vide letter No. 07-05/E&T/645-XV/786 dated 21<sup>st</sup> March’ **2018**, SLDC confirmed that it has published the public notice in the following English and Hindi newspapers on **16<sup>th</sup> March’ 2018**:
  - (i) Indore – Peoples Samachar (Hindi)
  - (ii) Bhopal – Free Press (English)
  - (iii) Jabalpur – Jabalpur Express (Hindi)
16. Vide letter No. 1020 dated 09<sup>th</sup> April’ 2018, SLDC submitted that it has not received any representation / comments regarding the subject petition till stipulated date i.e. 06<sup>th</sup> April’ 2018.
17. Public hearing in the matter was held on 24<sup>th</sup> **April’ 2018** in the court room of the Commission. Only the representatives of SLDC appeared in the public hearing.

## Fee and Charges for FY 2018-19

### 18. Capital Cost

Vide order dated 26<sup>th</sup> April' 2017 for FY 2017-18, the Commission approved the following five year Capex plan of SLDC from FY 2016-17 to FY 2020-21. The year wise requirement and availability of fund is as below:

<b>Year wise proposed requirement as well as availability of fund in ₹ Lakhs</b>							
<b>Sr. No</b>	<b>Particulars</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>TOTAL</b>
1	Availability of fund for Capex	160.00	176.00	193.60	212.96	234.26	976.82
2	Previous year Balance	751.22	776.22	856.72	985.32	1168.28	
3	Total Capex Available (1+2)	911.22	952.22	1050.32	1198.28	1402.54	
4	Capex Requirement	135.00	95.50	65.00	30.00	10.00	335.50
5	Cumulative Surplus (3-4)	776.22	856.72	985.32	1168.28	1392.54	

On perusal of actual /proposed capital expenditure vis-a vis approved for FY 2016-17 to FY 2018-19 in the five year capex plan, the Commission has observed the following status:

₹ in lakhs

<b>Summary of Capex Fund Approved and Actual Expenditure</b>				
<b>Year</b>	<b>Opening Balance</b>	<b>Fund Approved during the Year</b>	<b>Actual Expenditure during the Year</b>	<b>Closing Balance</b>
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D=A+B-C</b>
2016-17	0	135	100.02	34.98
2017-18	34.98	95.5	91.94	38.54
2018-19	38.54	65	93	10.54
2019-20	10.54	30	13	27.54
2020-21	27.54	10	30	7.54
		<b>335.5</b>	<b>327.96</b>	

19. In view of year-wise requirement & availability of fund above, it is noted that the availability of funds is more than the capex requirement during FY 2018-19. It is further observed that the availability of fund with the petitioner for capex is adequate for the actual /projected capex works. The petitioner is directed to expedite the capex works and utilization of its capex fund available with it.

**Levy of SLDC Charges:**

20. As per clause 9.2 of MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulation, 2004, (Revision – 1, 2006) SLDC charges are to be determined based on the following operating expenses:
- O&M Expenses comprising Employee Cost, Administration and General Charges and Repairs and Maintenance expenses,
  - Depreciation on Assets,
  - Interest and finance charges, where loans are identified against capital expenditure
  - Interest on working capital, if any,
  - Return on equity for equity contributions identified for capital expenditure
  - Taxes and duties, and
  - Capital Cost

**Operation and Maintenance Expenses:-**

**Provision under Regulations:**

21. Clause 9.8 of MPERC (Levy and Collection of Fee and Charges by SLDC) Regulations, 2004,(Revision-I, 2006) provides as under:
- (i) *‘Operation and Maintenance or O&M expenses’ shall mean expenditure on manpower, repairs, spares, consumables, office administration and general.*
- (ii) *Operation and maintenance expenses shall be determined as per actual expenditure incurred by SLDC.*

**Employee Cost:-**

**Petitioner's submission:**

22. With regard to the Employee Cost, the petitioner broadly submitted the following in para 7.1 of the petition:
- “The employee cost for FY 18-19 has been worked out for the working strength at SLDC & Sub-LDCs as on 31-10-2017 As per recommendations of “Manpower, Certification and Incentive for system operation and ring fencing Load Despatch Centers”, basic level training and specialist level Certification course for Load Despatch system operation is carried out continuously. Accordingly, lumpsum projection for training & certification fees for specialist level and management level training programs and various workshop, training etc. has been made during FY 2018-19. As per recommendation of Pradhan Committee constituted for “Man Power Certification and Incentives for System Operation and Ring Fencing Load Despatch centre”, the engineers who have completed training are to be considered for certification linked*



*incentive. However, provision for certification based incentive is not made in employee cost for FY 2018-19 and it is proposed that the same shall be adjusted in true up, if required to be paid.*

*Further, it is submitted that the as per Additional Chief Secretary, Energy Department, GoMP's letter .No. 6916/2017/13 dated 31.10.2017, 7<sup>th</sup> Pay commission is to be implemented from 1<sup>st</sup> January 2016. Accordingly, provision towards increase in salary due to implementation of 7<sup>th</sup> pay commission for FY 2018-19 of ₹131.51 Lakhs has been considered in employee cost. Further, it is submitted that arrears for the FY 2016-17 & FY 2017-18 due to Wage Revision is worked out as ₹235.78 lakhs. The total arrears is divided in three installments and as per Chief Secretary, Finance Department, GoMP's Letter dated 22.07.2017 towards payment of arrears, one installment of arrears of ₹78.59 lakhs is being considered under employee cost for FY 2018-19.*

*The total employee cost works out to ₹1240.40 Lakhs (Form-F4). The provisions for vacant posts, terminal benefit on retirement (pension, gratuity and EL encashment on retirement) have not been considered in the projected employee cost and it is proposed that the same shall be adjusted in true up, if required to be paid”.*

#### **Commission's Analysis:**

23. The petitioner has claimed the projected employee expenses of ₹1240.40 lacs for FY2018-19. The component wise break-up of employee cost is given by the petitioner in Format F4 of the petition.
24. Vide Commission's letter dated 02<sup>nd</sup> February' 2018, the petitioner was asked to clarify certain issues on employee related expenses like increase in salary due to implementation of 7<sup>th</sup> Pay Commission, Terminal Benefits, Training expenses etc.
25. By affidavit dated 13<sup>th</sup> February' 2018, the petitioner filed its detailed reply on the issues communicated to it by the Commission. The response of MPPTCL on all such issues is mentioned in preceding part of this order. On perusal of the response filed by the petitioner, it is noted that SLDC has considered projection towards increase in salary as ₹ 131.51 Lakhs for implementation of 7<sup>th</sup> pay commission, under the head Employee Cost and Provisions. The projection of ₹ 131.51 Lakhs has been considered on the basis of communication by Energy Department, GoMP's through their letter 6916/2017/13 dated 31.10.2017 regarding implementation of 7<sup>th</sup> Pay commission. Accordingly, SLDC has considered the projection of ₹ 131.51 Lakhs towards increase in salary in FY 2018-19. Similarly, projection towards arrears amount of ₹ 235.78 Lakhs in three installments For FY 2018-19, FY 2019-20 & FY 2020-21, is also considered on the basis of aforesaid communication by Energy Department, GoMP wherein it was instructed to adopt

Madhya Pradesh salary Revision Rules 2017 notified by Finance Department, GoMP published in Gazettate (extra Ordinary) dated 20.07.2017. Vide order dated 29.12.2017, MPPTCL has implemented 7<sup>th</sup> Pay commission w.e.f 01.01.2018.

26. Considering the above, the employee related expenses considered in this order for FY2018-19 are as given below:

S. No.	Particulars	Amount (₹lacs)	
		Claimed	Considered in this order
1	Employee expenses	1240.40	1240.40

### Administration and General Expenses:

#### Petitioner's Submission:

27. With regard to Administration and General expenses (A&G), the petitioner has submitted the following:

*“The Administration and General expenses for SLDC, Backup SLDC & Sub LDC for the year 2018-19 works out to ₹ 227.61 Lakhs (Form-F5). The above A&G projection comprises of Electricity Charges, Communication charges, consultancy charges, travelling expenses, Security service charges, Vehicle hire charges, books & stationery, MPERC fee, advertisement expenses, legal charges and miscellaneous expenses as contingent.*

*It is submitted that, in the A & G expenses for FY 2018-19, electricity charges of ₹ 106.88 lakhs is considered. In this regard it is to submit that SLDC in the petition for fees and charges for FY 2016-17 had considered the electricity charges. However, the hon'ble commission has not allowed the electricity charges as the same was not paid by SLDC as it was decided that electricity charges of MPPTCL offices would be adjusted through consolidated bill issue by Discom and individual offices of MPPTCL will not make any payment. Accordingly, the electricity charges was not considered by SLDC in the ARR of SLDC for FY 2017-18 and it was mentioned in the petition that electricity charges for SLDC shall be considered while filing of true up for 2017-18, if the same was required to be paid through SLDC account. However, it is to inform that during FY 2017-18, MP Poorve Khetra Vidyut Vitran Co Ltd. has adjusted electricity charges of ₹ 40.75 lakhs (for period Sep-16 to May-17) including surcharge from first installment of SLDC fee and charges for FY 2017-18. The matter was taken up by SLDC with MPPTCL as well as with East Discom. A separate meeting in this regard was also held on dated 29.09.2017, which was attended by ED(CRA), MPPTCL, CFO, MPPTCL Jabalpur, CFO, MPPKVCL, Jabalpur, CGM, Commercial MPPKVCL, Jabalpur along with SLDC officers. In the meeting it was informed by East Zone that it is better to claim SLDC electricity charges through SLDC ARR, as SLDC charges are recovered from three Discom, SEZ Indore & WCR, Jabalpur so that electricity charges should be shared by all the five long term customers. Accordingly, it was agreed that electricity charges of*

*SLDC shall be adjusted by MPPKVVCL, Jabalpur from installment of SLDC Fee and Charges. Further, it was also decided that similar procedure shall be followed for electricity charges of backup SLDC Bhopal and Sub-LDC Indore. Accordingly, MPPKVVCL, Jabalpur has also deducted amount of ₹50.52 lakhs as electricity charges for the period (June-17 to Oct-17) & estimated amount of electricity charges for next six months from IInd Installment of SLDC Fee and charges for the FY 2017-18.*

*It is requested that Hon'ble Commission may kindly consider ₹106.88 lakhs towards Electricity charges for SLDC Jabalpur, Backup SLDC Bhopal and Sub-LDC Indore for the FY 2018-19. It is also requested that honorable commission may please consider the electricity charges deducted by MPPKVVCL for FY 2017-18, while filing up of true up for of FY 2017-18.*

**Commission's Analysis:**

28. The petitioner has filed ₹227.61 lacs under Administration and General expenses. The detailed break-up of these expenses are given in Format F-5 of the petition. Vide Commission's letter dated 02<sup>nd</sup> February' 2018, SLDC was asked to file its clarification under certain heads like Electricity Charges, Hiring of Vehicle charges, Telephone/fax charges and Consultancy charges etc.

It is observed that SLDC has claimed ₹106.88 lakhs towards Payment of Electricity Charges for offices on the ground that, MP Poorv Khetra Vidyut Vitran Co Ltd. has adjusted electricity charges of ₹40.75 lakhs during FY 2017-18 (for period Sep-16 to May-17) including surcharge from first installment of SLDC fee and charges for FY 2017-18. The matter was taken up by SLDC with MPPTCL as well as with East Discom. A separate meeting in this regard was also held on 29.09.2017 among the senior level officers of MPPTCL, MPPKVVCL,(East Discom) Jabalpur, and SLDC when it was informed by East Zone that it is better to claim SLDC electricity charges through SLDC ARR, as SLDC charges are recovered from three Discom, SEZ Indore & WCR, Jabalpur so that electricity charges should be shared by all the five long term customers. Accordingly, it was agreed that electricity charges of SLDC shall be adjusted by MPPKVVCL, Jabalpur from installment of SLDC Fee and Charges. It was also decided that similar procedure shall be followed for electricity charges of backup SLDC Bhopal and Sub-LDC Indore. MPPKVVCL, Jabalpur has deducted an amount of ₹50.52 lakhs towards electricity charges for the period (June-17 to Oct-17) & estimated amount of electricity charges for next six months from IInd Installment of SLDC Fee and charges for FY 2017-18.

Considering above and documents placed on record, the Commission has considered the Electricity Charges of ₹106.88 lakhs subject to true up of the amount.

29. By affidavit dated 13<sup>th</sup> February' 2018, the petitioner filed its detailed reply on each issue raised by the Commission, and the same has been elaborated in preceding part of this

Order. Considering the reply filed by SLDC on this head, the details of Administration and General expenses allowed for FY 2018-19 in this order are given as below:

(₹lacs)

S. No.	Particular	Claimed	Considered in this order
1.	Administration and general expenses	227.61	227.61

### Repair and Maintenance Charges:-

#### Petitioner's Submission:

30. In para 7.3 of the petition, the petitioner broadly submitted the following:

*“The Repair and maintenance expenses for the year 2018-19 are estimated to ₹188.000 Lakhs (Form-F6). This includes maintenance charges of SCADA/EMS & Wideband Communication system, Unified real Time Dynamic Measurement System (URTDMS) system, CCTV Surveillance system, Hot line exchange, Voice logger system, AMC charges for ABT Computer System, Maintenance costs of Auxiliary Power Supply system, maintenance of system support services, maintenance of AC Plant, maintenance of office equipment, maintenance of building (including Backup SLDC at Bhopal & Sub-LDC Indore) etc. The provision for civil maintenance works mainly comprise of replacement of doors & doors frames, maintenance of office chambers, improvement/strengthening of sanitation/water supply system, development of garden/landscaping, renovation of False flooring & aluminum partition in SCADA hall of SLDC etc.*

*Regarding the SCADA/EMS system, it is submitted that the SCADA/EMS equipments was installed under “Replacement and upgradation of SCADA/EMS system of Western Region” project of Powergrid and the same was under defect liability period till 15 November 2017 and its AMC shall commence thereafter. Accordingly maintenance charges of SCADA/EMS system for FY 2018-19 are considered in the R&M projection for FY 2018-19.*

*The Unified Real Time Dynamic Measurement system (URTDMS) comprising of PMUs Phasor Measurement Units and Phasor Data Concentrator is installed and commissioned at SLDC and its system availability test is under progress. Similarly, wideband communication equipment are being installed through PGCIL under “Master Communication Plan” (MCP) of western region. At present the equipment under Phase I of MCP project have been made operational and the installation & commissioning of equipments under MCP Phase II is under progress. Accordingly, the maintenance charges for URTDSM & MCP system for FY 2018-19 is considered.*

*The five-year R&M plan of SLDC, Backup SLDC & Sub LDC for FY 17-18 to FY 21-22 is also annexed herewith as Annexure RMI”.*

**Commission's Analysis:**

31. The petitioner filed the Repair and Maintenance expenses of ₹188.00 lacs. Detailed breakup of repair and maintenance expenses for FY2018-19 is given in Format F-6 of the petition. Issues raised by the Commission & response filed by SLDC on this head are mentioned in preceding paras of this order.
32. The Commission has observed that the estimated increase in R&M expenses is mainly on account of Building and Civil Works. The projections have been made towards housekeeping of SLDC building and various works proposed by civil department. Considering the reasons filed by petitioner, the R&M expenditure of ₹ 188.00 Lacs for FY 2018-19 is allowed in this order subject to true-up.

**Return on Equity and Depreciation:**

**Petitioner's Submission:**

33. The petitioner broadly submitted the following:  
*“The GoMP has identified the assets of SLDC as a part of MPPTCL. The depreciation has been worked out to ₹32.17 Lakhs (Form F7) using Straight Line Method as per rates and in the manner prescribed in the Electricity Act 2003. The ROE has been worked out to ₹21.97 Lakhs based on normative debt to equity ratio as 70:30. The Income Tax provision are also worked out to ₹7.61 Lakhs. However, in line with the orders passed by Hon'ble Commission for levy & collection of fee & charges for FY 08-09, these charges are not included in the Annual Revenue Requirement of SLDC for the FY 2018-19”.*

**Commission's Analysis:**

34. The Commission has observed that no Depreciation & RoE is claimed by the petitioner as no separate opening Balance Sheet for SLDC has been notified by the Govt. of M.P. in its order dated 12<sup>th</sup> June' 2008. The petitioner's submission is accepted and no amount for depreciation and RoE is approved in this Order.

**Interest on Working Capital:**

**Petitioner's Submission:**

35. The petitioner broadly submitted the following:  
*“The working capital has been computed considering the expenses for Employee cost, A&G, R&M and IWC. The monthly working capital comes out to ₹139.51 Lakhs.  
As per third amendment in regulation of SLDC fee and charges notified on 19<sup>th</sup> Nov 2010, the Rate of interest on working capital has to be considered on normative*

*basis equal to the Base Rate of State Bank of India as on 1<sup>st</sup> April of the year plus 4%. Accordingly the rate of IWC has been taken as 13.1 % (Base Rate 9.3% wef 1<sup>st</sup> April 2017). The IWC works out to ₹18.08 Lakhs (Form F8)”.*

**Provisions in Regulation:**

36. Regulation 9.9 of MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulation, 2004,( Revision-I, 2006) provides that:

*“The SLDC may generate the working capital on monthly basis equal to the amount 1/12th of the SLDC charges.*

*Rate of interest on working capital to be computed as provided subsequently in these regulations shall be on normative basis and shall be equal to the short-term Prime Lending Rate of State Bank of India as on April 1 of the current year plus 1%. The interest on working capital shall be payable on normative basis notwithstanding that the licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.”*

**Commission’s Analysis:**

37. The Petitioner has filed the interest on working capital of ₹18.08 Lacs in the subject petition. The petitioner has not filed any Interest and finance charges on loan for capital works. On scrutiny of the petition, the Commission has observed that the petitioner has not taken any working capital loan from any agency and consequently has not incurred any expenditure on working capital.
38. During FY 2018-19, the Operation and Scheduling (O&S) charges are expected to be ₹410.00 Lacs. In the present petition, SLDC has considered 50% of O&S charges i.e. ₹205.00 Lacs while calculating revenue from other charges for the purpose of ARR. The same practice has been followed in previous years also. SLDC’s actual expenditure on Capex has been much lower than the Capex fund available with it and this is the reason for availability of cumulative balance of Capex fund of ₹869.59 Lacs as on 31/03/2017 with SLDC.
39. By affidavit dated 13<sup>th</sup> February’ 2018, the petitioner submitted the following:-

*“MPERC (Levy & Collection of SLDC fee & charges) Regulation-2004, 9.9 (ii) provides that IWC shall be payable on normative basis notwithstanding that the licensee has not*

taken working capital loan from any outside agency or exceeded the working capital loan based on normative figures. The IWC amount of ₹ 18.08 Lakhs has been projected in ARR in accordance with above regulation.

*The cumulative available balance of Capex Fund as on 31.03.2017 is ₹ 869.59 Lakhs as which calculated from . The balance of capex fund as on 31<sup>st</sup> march 2017 of ₹ 576.28 lakhs comprises of total amount received towards 50% of Operating Scheduling charges from the period FY 2006-07 to FY 2016-17 of ₹1219.81 lakhs as mentioned in Annexure-1 Less actual Capital Expenditure of ₹350.22 lakhs as mentioned in Annexure-2,i.e (₹ 1219.81 lakhs- ₹ 350.22 lakhs= ₹869.59 lakhs). Looking to the availability of capex fund and proposed capital works at SLDC, there is no shortage of fund. Accordingly, no working capital is proposed to be raised .....(emphasis supplied)”.*

40. The Commission has observed that free reserves (in the form of unspent cumulative funds available for Capex) are adequate to meet the working capital requirement of SLDC. In view of the same aforesaid status the Commission has not approved any interest on working capital in past tariff orders also on the above-mentioned reasons. Therefore, the Commission has not considered any interest on working capital for FY 2018-19 also in this order. The Commission has considered the actual expenses incurred by SLDC in its true-up petition for FY 2016-17 filed with this petition. If any expenditure for interest on working capital is found actually incurred by SLDC, such claim may be considered appropriately by the Commission after prudent check while trueing up for FY2018-19.

#### **Others - Payment of Statutory Taxes, Duties, etc.:**

##### **Petitioner's submission**

41. The petitioner broadly submitted the following:  
*“The Fee and Charges to be levied and collected by SLDC from the licensees using the intra-state transmission system has been worked out exclusive of statutory taxes, levy, duty, CESS or any other kind of impost by the Government or any statutory authority. Such expenses, if any, shall be borne by the licensees using the intra-state transmission system and shall be adjusted in the subsequent years”.*

##### **Commission's Analysis**

42. The above claim of SLDC shall be dealt with appropriately in terms of MPERC (Levy and Collection of Fee and charges by State load Despatch Centre) Regulations, 2004,(Revision 1, 2006SLDC as and when these are actually incurred and claimed in the true-up petition.

**Income from Other Sources:****Petitioner's Submission:**

43. The petitioner has submitted the following in para 7.9 & 7.10 of the petition:  
*“Earning of ₹ 305.00 Lacs has been projected as income from Scheduling & Operation Charges (50%), Connectivity Charges and Application processing fee from Short Term Open Access Customers (STOAC). (Form F1). A lump sum provision for FY 18-19 for ₹ 5.0 lac has been considered in Form F2 towards recoveries of transport facility, Rental for Staff quarter/water charges, recovery of telephone charges & Misc income.”*

**Provisions in Regulation:**

44. Clause 9.14 and 10 of MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations, 2004,( Revision-I, 2006) provides that,

*“Income from all charges determined by the Commission for SLDC operations shall be considered as income. This income shall include all fee and charges as may be specified by the Commission under these regulations.”*

*The customers having the Long-Term agreements shall not be required to pay the System Operation and Scheduling Charges but they shall have to pay the charges for revising the schedule each time as determined by the Commission.*

*The system operation and scheduling charge as determined by the Commission on per transaction per day or part thereof basis shall be charged from all short-term open access customers using the State Transmission System and Distribution System, which shall be paid in advance every month. They shall also be required to pay the charges for revising the schedule each time as determined by the Commission.*

*Fifty percent (50%) of the revenue earned from Operation and Scheduling charges as per Regulation 10 from short-term customers above shall be retained by State Load Despatch Centre for Capital expenditure for the development of infrastructure at SLDC. The remaining 50% revenue shall be treated as income for computation of SLDC Fee and Charges for the following year. The SLDC shall maintain separate account for such earnings and shall have to disclose the details of investment made to the Commission at the time of determination of its annual revenue requirement.”*

**Commission's Analysis:**

45. The other Income mainly comprises revenue from other Fee and Charges, Scheduling & Operation charges, Connectivity charges and application processing fee etc. The petitioner filed the following estimated other income for FY 2018-19 :



(₹ lacs)

S. No.	Particulars	Ensuing Year (2018-19)
1	Scheduling & Operation Charges (50% as income)	205.00
2	Connectivity Charges	32.00
3	Application processing fee for STOAC	68.00
	<b>Total</b>	<b>305.00</b>

46. The Commission has observed the following actual other income from the certified Accounts of SLDC for the last six years:

(Amount in ₹Lacs)

Particular	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Actual Other income considered in True-up orders	123.14	138.01	151.54	210.12	191.09	277.17	277.13	297.87

47. Based on the abovementioned position, the Commission has observed that the actual other income has increased from ₹ 123.14 Lacs during FY 2009-10 to ₹297.87 Lacs during FY 2016-17. Therefore, the Commission has considered ₹ 305.00Lacs as SLDC's other income (as claimed by petitioner) for FY 2018-19 in this order. However, the actual other income shall be considered and adjusted appropriately while taking true up exercise for FY 2018-19.

### True-up of SLDC Tariff Order for FY 2016-17 based on Final Accounts:

#### Petitioner's Submission:

48. *The petitioner in para 11 of the petition broadly submitted the following:*

“The expenses towards Employee cost, A&G and R&M for FY 2016-17, shown in forms of the petition for FY 18-19, are on the basis of Financial Statements of SLDC for the FY 16-17. Further, it is submitted that variation in the figures shown in Balance Sheet, Profit & Loss A/c and its notes to Financial statement for Financial Year 16-17 and the figures shown in formats of the petition, is due to following reasons.

(Amount in Lakhs of ₹)

Particulars	Financial statement Ref.		Petition Ref.		Difference	Remark
	Note	Amount	Form No	Amount		
Employee Cost	11	1048.38	F4	1052.26	-3.88	Explanation 1
A & G Expenses	13	57.95	F5	54.06	3.89	Explanation 2
SLDC charges	9	1326.53	F1	1122.27	204.26	Explanation 3
Other Income	10	5.93	F2	6.22	-0.29	Explanation 4

*Explanation*

1) The employee cost of ₹1052.26 Lakhs mentioned in Form F4 comprises of actual employee cost of ₹1048.38 Lakhs and training expenses of ₹3.88 Lakhs. Further, the training expense ₹3.88 Lakh is shown in Form 4 as per standard format of the petition but the same is considered as A&G expenses and included in note 13 of financial statement. Therefore, actual Employee Cost of ₹1052.26 Lakhs as mentioned in Form F4 is claimed for true up.

2) The A & G expenses of ₹57.95 Lakh mentioned in Note 13 of Financial statement comprises of various A&G expenses of ₹54.06 Lakhs, the Banking charges of ₹0.01 Lakhs and the Training expenses of ₹3.88 Lakhs. The A&G expenses ₹54.06 Lakhs shown in form F5 are exclusive of banking charges and Training charges because the banking charges are shown in Form F8 and training charges are shown in Form F4. Therefore, A&G expenses of ₹54.06 Lakhs as mentioned in Form F5 are actual expenses claimed for true up.

3) The SLDC Charges comprises of Revenue from fee & Charges (i.e. from three Discoms & SEZ) and revenue from other charges (i.e. Scheduling & Operation, Connectivity & Application Processing Fees). The amount of ₹1122.27 Lakhs shown in Form F1 includes ₹203.97 Lakhs towards revenue from 50% of Scheduling & Operation Charges. As per MPERC (Levy & Collection of Fee & Charges) Regulation 2004, (10.3), 50% of scheduling & operation charges are to be considered as earning and balance 50% is to be retained for infrastructure development. Accordingly, total Scheduling & Operation charges of ₹407.94 Lakhs are shown in two equal parts, 50% amount as earning in Form F1 (₹203.97 Lakhs) and 50% amount retained for capex (₹203.97 Lakhs). The amount of ₹1326.53 Lakhs shown in Note 9 of financial statement include ₹407.94 Lakhs towards revenue from total Scheduling & Operating Charges and delayed payment charges of ₹0.29 lakhs. An increase of ₹204.26 Lakhs in Note 9 of financial statement is due to accounting of 100% of Scheduling & Operating charges received during the Financial Year 16-17 of ₹203.97 Lakhs and Delayed payment charges of ₹0.29 lakhs. Therefore, the amount of ₹1122.27 Lakhs as shown in Form F1, is actual earning for FY 16-17 claimed for true up.

4) The other Income of ₹6.22 Lakhs mentioned in F2 comprises of ₹5.93 Lakhs of other income and ₹0.29 lakhs towards Delayed payment charges. Further, the Delayed payment charges of ₹0.29 Lakh is shown in Form F2 as per standard format of the petition but the same is considered as revenue from operation and included in note 9 of financial statement. Therefore, actual Other Income of ₹6.22 Lakhs as mentioned in Form F2 is claimed for true up. In view of above, expenses approved in ARR of FY 2016-17 vis -a -vis Actual expenses as per financial statement of FY 2016-17 are summarized below for Reconciliation / True- up in the ARR for FY 18-19.

**True up of FY 16-17 accounts with FY 16-17 Order :****Expenses:**

( Amount in Lakhs of ₹)

Particular	Expenses as allowed in ARR for FY 2016-17	Actual Expenses for FY 2016-17	Differences (Allowed-Actual) to be reconciled

<i>Employee Costs</i>	1032.76	1052.26	-19.50
<i>Administration &amp; general Expenses</i>	91.26	54.06	37.20
<i>Repairs &amp; Maintenance Expenses</i>	131.13	46.94	84.19
<i>Interest &amp; Finance Charges</i>	0.00	0.01	-0.01
<b>Total</b>	<b>1255.15</b>	<b>1153.27</b>	<b>101.88</b>

**Income from other fee & charges:**

The revenue from other fee & charges, comprising of Scheduling & Operation Charges, Connectivity Charges, Application Processing fee & Other Income allowed by the Commission for the FY 2016-17 was ₹ 259.50 Lakhs , the actual income works out to ₹ 304.09 Lakhs as given below :

( Amount in Lakhs of ₹ )

<i>Particular</i>	<i>Income as allowed in ARR for FY 2016-17</i>	<i>Actual income for FY 2016-17</i>	<i>Differences (Allowed-Actual) to be reconciled</i>
<i>50% of Scheduling &amp; Operating Charges.</i>	256.00	203.97	52.03
<i>Connectivity Charges</i>		28.20	-28.20
<i>Application Charges</i>		65.70	-65.70
<i>Sub Total</i>	256.00	297.87	-41.87
<i>Other miscellaneous receipts as mentioned in Form F2</i>	3.50	6.22	-2.72
<b>TOTAL</b>	<b>259.50</b>	<b>304.09</b>	<b>-44.59</b>

Net amount to be reconciled & adjusted in ARR of FY 2018-19 works out to (101.88 – (-44.59) ) i.e. ₹146.47 Lakhs.

**Commission's Analysis:**

49. In the subject petition, the petitioner also filed the true-up of ARR approved by the Commission for FY 2016-17. The petitioner stated that it has actually incurred ₹1153.27 lacs towards Employee expenses, A&G expenses, R&M expenses & Interest charges against ₹1255.15 lacs approved by the Commission for FY 2016-17. SLDC has recovered actual income of ₹304.09 lacs against the income of ₹ 259.50 lacs, considered by the Commission for FY 2016-17 in respect of O & S, connectivity, Application & misc charges. Accordingly, the true-up amount of 101.88 lacs and (-)44.59lacs for FY 2016-17 based on the final accounts and trial balance for FY 2016-17 is considered and adjusted in the ARR of SLDC for FY 2018-19 in this order. A copy of final accounts and trial balance for FY 2016-17 was filed with the petition.

50. On scrutiny of the component wise true-up amount filed by the petitioner, the Commission has observed the following:
- The training expenses of ₹ 03.88 lacs are included in the employee cost whereas, this amount is recorded under A & G expenses of the final accounts for FY 2016-17.
  - Note-11 of the final accounts has recorded the actual employee expenses of ₹1048.38 Lacs.
51. The Petitioner filed the actual A & G expenses of ₹52.66 lacs for FY 2016-17, whereas Note-13 of the final accounts indicates the actual A & G expenses of ₹57.95 lacs including the training expenses of ₹03.88 lacs. Therefore, the actual A & G expenses of ₹54.06 lacs are considered in this order.
52. The petitioner filed the R & M expenses of ₹46.94 lacs. The same is recorded in the Final Accounts as well as trial balance of SLDC for FY 2016-17. Therefore, the Commission has considered the actual R & M expenses of ₹46.94 Lacs for FY 2016-17 in this order.

The summary of the true-up amount for FY2016-17 considered in this order is as given below:

( Amount in Lacs of ₹ )

Particular	Expenses as allowed in ARR for FY 2016-17	Actual Amount allowed in this order	True –up Amount
Employee Costs	1032.76	1052.26	-19.50
Administration & general Expenses	91.26	54.06	37.20
Repairs & Maintenance Expenses	131.13	46.94	84.19
Interest & Finance charge	0.00	0.01	-0.01
Total	1255.15	1153.27	101.88
Less income from other fees & charges	(-) 259.50	(-)304.09	44.59
Total True-up amount for FY2016-17	995.65	849.18	146.47

The net amount to be reconciled & adjusted (subtracted) in ARR of FY 2018-19 is worked out to ₹(101.88-(-44.59) ) i.e. ₹ 146.47 Lakhs.

**Summary of Annual Revenue Requirement:**

53. Based on the aforesaid analysis, the Commission has approved the following Annual Revenue Requirement of SLDC for FY 2018-19 in this order:

**Summary of the ARR as approved by the Commission for FY 2018-19:**

(₹ in lacs)

Sr. No.	Particulars	As filed by SLDC	As approved by MPERC
1	Net Employee Expenses (excluding Terminal Benefits)	1240.40	1240.40
2	Net A&G expenses	227.61	227.61
3	Net R&M expenses	188.00	188.00
4	Depreciation	0.00	0.00
5	Interest on Loans	0.00	0.00
6	Interest on Working Capital	18.08	0.00
7	Return on Equity	0.00	0.00
8	Income Tax	0.00	0.00
<b>9</b>	<b>Total revenue expenditure</b>	<b>1674.09</b>	<b>1656.01</b>
10	(Less) Other Income	(-310.00)	(-310.00)
<b>11</b>	<b>Net Revenue Expenditure</b>	<b>1364.09</b>	<b>1346.01</b>
<b>12</b>	<b>Total True up amount (a+b)</b>	<b>(-146.47)</b>	<b>(-146.47)</b>
	a. True-up amount for 2016-17 (Emp.cost/A&G exp/R&m exp/Int.&Fin charges)	(-) 101.88	(-) 101.88
	b. True-up amount for 2016-17 (O&S/Connectivity/Application/Misc.Charges)	(-)44.59	(-)44.59
<b>13</b>	<b>Net ARR for FY 2018-19</b>	<b>1217.62</b>	<b>1199.54</b>

**Allocation of Annual SLDC Charges:**

54. In form F1 of its petition, SLDC has filed Capacity allocation of 16496.18MW for FY 2018-19. MPPTCL filed Petition No.02 of 2016 for Multi Year Transmission Tariff for the control period of FY 2016-17 to FY 2018-19. The Commission passed an order on the aforesaid petition on 10<sup>th</sup> June' 2016, wherein the transmission capacity has been considered as 16296.18 MW for FY 2018-19. Allocation of Transmission capacity between four No. Long term open access customers is as hereunder:

S. No.	Customers	FY 2016-17		FY 2017-18		FY 2018-19	
		Capacity MW	Amount ₹ Crores	Capacity MW	Amount ₹ Crores	Capacity MW	Amount ₹ Crores
1	MP Poorva Kshetra VVCL Jabalpur	4474.12	690.79	4562.21	754.21	4857.35	818.78

2	MP Madhya Kshetra VVCL Bhopal	4766.10	735.87	4859.94	803.43	5174.34	872.21
3	MP Paschim Kshetra VVCL Indore	5733.40	855.22	5846.29	966.49	6224.49	1049.23
4	MP AKVN SEZ – Pithampur	14973.62	2311.89	15268.44	2524.12	16256.18	2740.21
		40	6.18	40	6.61	40	6.74
<b>Total -</b>		<b>15013.62</b>	<b>2318.06</b>	<b>15308.44</b>	<b>2530.74</b>	<b>16296.18</b>	<b>2746.96</b>

55. Consequent to the allocation of 200MW power from Ministry of Power (MoP) for Traction Sub Stations of Indian Railways in the state of Madhya Pradesh from Ratangiri Gas and Power Pvt Ltd (RGPPL), Maharashtra, M.P. Power Transmission Company Ltd. Jabalpur has filed the petition (**Petition No. 70 of 2016**) for revision of Transmission charges to be recovered from the long term use of the transmission system for the control period of FY 2016-17 to FY 2018-19 determined vide Commission's MYT order passed on 10<sup>th</sup> June' 2016.
56. Vide its order dated 26<sup>th</sup> April' 2017 in Petition No. 70/2016, the Commission revised the allocation of transmission capacity and charges amongst three Discoms, SEZ Indore & WCL as given below:

S. No.	Customers	FY 2016-17		FY 2017-18		FY 2018-19	
		Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)
1	MP Poorva Kshetra VVCL, Jabalpur.	4474.12	681.72	4562.21	744.47	4857.35	808.85
2	MP Madhya Kshetra CCVL, Bhopal.	4766.10	726.20	4859.94	793.07	5174.34	861.64
3	MP Paschim Kshetra VVCL, Indore.	5733.40	873.58	5846.29	954.03	6224.49	1036.51
4	MP AKVN SEZ – Pithampur	40.00	6.09	40.00	6.53	40.00	6.66
5	<b>WCR on behalf of Railways</b>	200.00	30.47	200.00	32.64	200.00	33.30
<b>Total -</b>		<b>15213.62</b>	<b>2318.06</b>	<b>15508.44</b>	<b>2530.74</b>	<b>16496.18</b>	<b>2746.96</b>

The same transmission capacity 16496.18 MW and percentage allocation is considered for FY 2018-19 in this order.

57. As per Regulation 11.2 of the MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations, 2004 (Revision-1, 2006), the allocation of SLDC charges to individual Licensees and Open Access customers having the Long-Term

Agreements shall be in proportion of share allocation to the total transmission capacity determined by the Commission. Accordingly, the annual SLDC charges are worked out for FY 2018-19 as under :

**Annual SLDC Charges for Long - Term Open Access Customers for FY 2018-19**

Sr. No	Particulars	Long-Term Open Access customers				WCR	Total
		East Discom	West Discom	Central Discom	SEZ Indore		
1	Total annual SLDC charges (₹Lacs)						<b>1199.54</b>
2	Long-term allocation of Transmission Capacity (MW) (as per Multi-year transmission tariff order in Petition 02-2016 for FY 2016-17 to FY 2018-19) & Order on P-70/2016 dated 26 <sup>th</sup> April'2017	4857.35	6224.49	5174.34	40.00	200.00	<b>16496.18</b>
3	Annual SLDC charges payable by Long-Term Access customers (₹Lacs)	<b>353.21</b>	<b>452.62</b>	<b>376.26</b>	<b>2.91</b>	<b>14.54</b>	<b>1199.54</b>
4	Annual SLDC charges payable by Long-Term Access customers (₹MW)						<b>₹7271.623 per MW</b>

**Summary of Fees and Charges:**

58. As per Regulation 12.5 of MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations, 2004 (Revision-1, 2006), if there is a gap between the expected revenues from the currently applicable fee and charges and the revenue requirement for the ensuing financial year, the SLDC shall include a proposal as to how it proposes to bridge this revenue gap. It is presumed that existing level of fee and charges would be sufficient to meet the annual expenses of SLDC.
59. The following table summarises the fees and charges approved by the Commission for use of SLDC services:

## Applicability and levy of various SLDC fees and charges for FY 2018-19

Sr. No.	Fee/Charge Applicable towards	Applicability to customer category on the basis of type of agreement								
		Long Term			Short Term			Renewable Energy Sources		
		Yes /No	Frequency	Amount (₹)	Yes /No	Frequency	Amount (₹)	Yes /No	Frequency	Amount (₹)
1	Connection fee	Yes	One Time	1,00,000	Yes	Once for a month or part thereof	5,000	Yes	Only Once, irrespective of Long Term or Short Term	5,000
		No charges for additional short term open access								
2	Annual SLDC charges	Yes	Two Half yearly instalment	7271.623 per MW of allocated transmission capacity	No	--	--	No	--	--
3	Operation & Scheduling	No	--	--	Yes	Per transaction per day or part thereof	3,000	No	--	--
4	Revising schedule	Yes	For each revision	3,000	Yes	For each revision	3,000	No	--	--

60. The Fees and Charges determined in this order shall be effective from 1st April' 2018 till 31<sup>st</sup> March' 2019. The petitioner shall take steps to implement this order after giving seven (7) days public notice in accordance with regulation 1.30 of MPERC (Details to be furnished and fee payable by licensee or Generating company for determination of tariff and manner of making application) Regulations, 2004 and its amendments and calculate the bills of SLDC charges to the Long Term Open access customers other than renewable sources w.e.f. 1st April' 2018 onwards and shall also provide information to the Commission in support of having complied with this order.

Ordered Accordingly

**(Anil kumar Jha)**  
Member

**(Mukul Dhariwal)**  
Member

**(Dr. Dev Raj Birdi)**  
Chairman

Place:- Bhopal

Dated:- 22<sup>nd</sup> May' 2018